



PATENTS
ODS-37

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE BOARD OF PATENT APPEALS AND INTERFERENCES

PATENT APPLICATION

Appellants : John Hindman et al.
Application No. : 09/827,509 Confirmation No. : 6107
Filed : April 5, 2001
For : SYSTEMS AND METHODS FOR PROVIDING THE
PROJECTED EFFECTS OF WAGERS ON
PARIMUTUEL POOLS
Group Art Unit : 3714
Examiner : Corbett B. Coburn

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Date of Deposit: August 23, 2006

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Appeal Brief under 37 C.F.R. § 41.37 and
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Name: Isatta B. Smith



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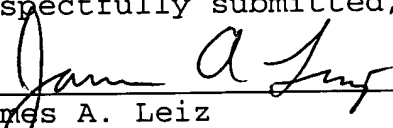
AUTHORIZATION TO CHARGE DEPOSIT ACCOUNT

Sir:

The Director is hereby authorized to charge \$950.00 to Deposit Account No. 06-1075 (Order No. 003043-0037), in payment of the Appeal Brief filing fee required under 37 C.F.R. § 41.20(b)(2) and the extension of time fee required under 37 C.F.R. § 1.17(a)(2).

The Director is hereby authorized to charge any additional fees that may be due in connection with this Appeal Brief, or credit any overpayment of the same, to Deposit Account No. 06-1075 (Order No. 003043-0037). A duplicate copy of this Authorization is transmitted herewith.

Respectfully submitted,


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APPEAL BRIEF UNDER 37 C.F.R. § 41.37 08/25/2006 TBESHAW 00000006 061075 09827509
02 FC:1252 450.00 DA

Sir:

Appellants are filing this Appeal Brief in support of the March 13, 2006 Notice of Appeal from the rejection of claims 1-31 in the final Office Action dated September 13, 2005.

Appellants hereby petition for a two-month extension of time under 37 C.F.R. § 1.136(a) for filing this Appeal Brief. The May 23, 2006 Notice of Panel Decision from Pre-Appeal Brief Review set a new one-month period for reply. With the extension, this Appeal Brief is due on or before August 23, 2006. 08/25/2006 TBESHAW 00000006 061075 09827509
01 FC:1402 500.00 DA

The Director is hereby authorized to charge \$950.00 to Deposit Account No. 06-1075 (Order No. 003043-0037) in payment of the filing fee required under 37 C.F.R. § 41.20(b)(2) and the extension fee required under 37

C.F.R. § 1.17(a)(2). The Director is also hereby authorized to charge any additional fees that may be due in connection with this Appeal Brief, or credit any overpayment of the same, to Deposit Account No. 06-1075 (Order No. 003043-0037). A separate Authorization to Charge Deposit Account is enclosed for these purposes (in duplicate).

In view of the arguments and authorities set forth below, the Board should find the rejection of claims 1-31 to be in error, and the Board should reverse the rejection.

This Brief has the following appendices:

Claims Appendix

Appendix A: Copy of claims 1-31 involved in this appeal;

Evidence Appendices

Appendix B: Copy of the Final Office Action dated September 13, 2005;

Appendix C: Copy of the Reply to Final Office Action dated February 10, 2006;

Appendix D: Copy of the Pre-Appeal Brief Request for Review dated March 13, 2006;

Appendix E: Copy of the Advisory Action dated March 16, 2006;

Appendix F: Copy of the Supplemental Pre-Appeal Brief Request for Review dated March 24, 2006;

Appendix G: Copy of Gordon U.S. Patent No. 2,271,508 (hereinafter "Gordon"); and

Appendix H: Copy of Mindes U.S. Patent No.
5,573,244 (hereinafter "Mindes").

Related Proceedings Appendix

None.

(i) Real Party in Interest

Appellants respectfully advise the Board that the real party in interest in the above-identified patent application is ODS Properties, Inc., a corporation organized and existing under the laws of the State of Delaware, and having an office and place of business at 6701 Center Drive West, Los Angeles, CA 90045, which is the assignee of this application.

(ii) Related Appeals and Interferences

Appellants respectfully advise the Board that there are no other appeals or interferences known to appellants, their legal representative, or their assignee that will directly affect or be directly affected by or have a bearing on the Board's decision in the pending appeal.

(iii) Status of Claims

Claims 1-31 are rejected in this application and are on appeal. Claims 32-62 have been cancelled.

(iv) Status of Amendments

Appellants' Reply to Final Office Action dated February 10, 2006 cancelled claims 32-62 without prejudice. (See Appendix C). For purposes of appeal, the cancellation of claims 32-62 was entered in the Advisory Action dated March 16, 2006. (See Appendix E).

(v) Summary of Claimed Subject Matter

Appellants' independent claim 1 is generally directed toward a method for providing the projected effects of wagering on parimutuel pools to a user in an interactive wagering system (see, e.g., appellants' specification, page 3, lines 9-13). A user input is received that proposes a wager that is associated with at least one parimutuel pool (see, e.g., appellants' specification, page 3, lines 14-31). Based on the user input, information that affects the user's potential winnings is obtained, and the projected effect the user's proposed wager would have on the parimutuel pool is provided to the user (see, e.g., appellants' specification, page 23, lines 5-26).

Similarly, independent claim 17 is generally directed toward a method for providing projected effects of wagering on odds associated with a proposed wager. A user input is received to create a proposed wager that is associated with at least one parimutuel pool. Parimutuel pool information and current odds for the proposed wager are both obtained. What effect the proposed wager would have on the current odds is determined, and the projected odds are provided to the user (see, e.g., appellants' specification, page 23, line 27 - page 24, line 31).

(vi) Ground of Rejection to be Reviewed on Appeal

The ground of rejection to be reviewed on this appeal is the final rejection of claims 1-31 under 35 U.S.C. § 103(a) as being unpatentable over Gordon in view of Mindes.

(vii) Argument

A. Gordon Fails to Show or Suggest
Receiving User Input to Propose
a Wager and Providing What Projected
Effect the Proposed Wager Would Have on
(1) the Parimutuel Pool or (2) Current Odds

In the Final Office Action dated September 13, 2005 (hereinafter "Final Office Action"), the Examiner rejected method claims 1-31 under 35 U.S.C. § 103(a) as being obvious over Gordon in view of Mindes. The Examiner opined that Gordon taught the majority of appellants' claimed features. (See Final Office Action, Appendix B, pages 2-3). The Examiner admitted, however, that "Gordon does not teach providing the information from the parimutuel pool over a communications link." (Office Action, p. 3). To show this single feature, the Examiner relied on Mindes.

Regardless of whether Mindes shows providing parimutuel pool information over a communication link, appellants respectfully disagree with the Examiner's characterization of Gordon. Appellants submit that Gordon does not show or suggest any of appellants claimed features. Namely, Gordon fails to disclose receiving proposed wagers in any form. As a consequence, Gordon also fails to show or suggest providing the projected effects a proposed wager would have on (1) a parimutuel pool (appellants' independent claim 1) or (2) current odds (appellants' independent claim 17) to a user.

1. None of the Bets Described in Gordon
Are Proposed Bets As The Examiner Contends

In the March 16, 2006 Advisory Action (attached as Appendix E), the Examiner states that Gordon does not

show money changing hands "prior to making changes to the indicated odds." (Advisory Action, page 2). The Examiner contends, therefore, that Gordon contemplates proposed bets because "all 'bets' are 'proposed bets'" in Gordon until money changes hands. Id. Appellants respectfully disagree that Gordon contemplates proposed bets.

Gordon refers to an electrical circuit calculating devices. In the described embodiments, the electrical circuit calculates odds and wager totals for horses based on wagers that have been actually placed and inputted into the electrical circuit. Gordon's circuit calculates odds and wager totals based on the "dollars bet at each of the stations." (See Gordon, Appendix G, col. 3, line 72). In fact, Gordon only refers to inputted wagers in the past tense as the amount "bet" or "placed" on a horse. (See, e.g., Id. at col. 3, lines 8-9; col. 3, lines 58-59; and col. 4, lines 57-58).

Nowhere in Gordon is it stated or even suggested that Gordon received user input to propose a wager or provides what projected effect a proposed wager would have on the parimutuel pool or current odds to the user, as required by appellants' independent claims. Rather, Gordon only describes inputting wagers that have been already placed into the electrical circuit to update wager totals and odds information. Id. The fact that Gordon is silent as to when money changes hands is irrelevant. Gordon is only concerned with wagers that have already been "bet" or "placed" on a horse. Id. Accordingly, none of the bets described in Gordon are proposed bets as the Examiner contends.

2. Gordon's Reduction Feature Does Not Suggest that Gordon Contemplates Proposed Bets

The Examiner contends that Gordon "makes it clear that the device can subtract out the amount 'bet'" and thus Gordon contemplates proposed bets. (Advisory Action, page 2). Appellants respectfully disagree. Contrary to the Examiner's contention, Gordon never shows or suggests subtracting out an amount bet. Rather, Gordon describes an alternative embodiment where reversal of the motors "permits deductions to be made." (Gordon, page 5, column 1, lines 2-5). There is no showing or suggestion in Gordon, however, that these deductions are "the amount bet" as the Examiner contends. (See Advisory Action, page 3).

To understand what deductions may be made, it is helpful to first look at Gordon's preferred embodiment as shown in FIGS 2-4. (See Gordon, page 3, col. 2, lines 30-32). Gordon's preferred device mechanically rotates discs to increase the resistances. Spring fingers 97 prevent retrograde turning of the discs (i.e., deductions can not be made). The device also includes cam element 96 that "permit[s] rotation of the discs back to the starting or initial position" (page 4, column 1, lines 44-45). In other words, Gordon's preferred device does not allow deductions to be made, but includes a cam element to reset the discs back for the next race.

Gordon shows the alternative resistance varying device that the Examiner refers to in FIG. 5. The device in FIG. 5 rotates the discs using motors 99, 114, and 115. The alternative device, however, does not include a cam element for resetting the discs. Instead, Gordon states, as the Examiner points out, that reversal of the motors

permits deductions to be made. (See Gordon page 5, column 1, lines 2-5).

The alternative device, unlike the preferred device, does not include a mechanism to reset the discs. Therefore, appellants submit that the reversal feature of Gordon's alternative embodiment is likely provided to allow the discs to be reset in preparation for betting on the next race. The Examiner's contention that Gordon's deduction feature implies that Gordon contemplates proposed wagers is a mere guess by the Examiner and is simply not supported by Gordon's specification for at least the reasons described above.

3. Gordon's Generic Subtraction
Feature Does Not Show or Suggest
Receiving or Processing Proposed Wagers

The Examiner further attempts to support his contention that Gordon contemplates proposed wagers using Gordon's generic subtraction functionality. As the Examiner points out in the Advisory Action, Gordon's device is capable of "automatic operation to add, subtract, divide or multiply." (Gordon, page 6, column 1, lines 53-58). The Examiner then contends that "[t]hese deductions can only make sense if Gordon contemplates 'proposed bets.'" (Advisory Action, page 3). Appellants respectfully disagree and submit that the ability of Gordon's device to perform subtraction does not show or suggest that Gordon contemplates receiving user input to propose a wager or providing what projected effects the proposed wager would have on the parimutuel pool or current odds to the user, as recited in appellants' independent claims 1 and 17.

It is quite clear from Gordon's description that Gordon's device is intended as a general purpose calculating device that is particularly well-suited for parimutuel betting. (See Gordon, page 1, column 1, lines 1-26 and page 6, column 1, lines 52-57). Gordon's calculating device is capable of performing all the basic arithmetic operations, including addition, subtraction, division, and multiplication. (See Gordon, page 6, column 1, lines 53-58). Some of these operations may be useful for parimutuel betting and some of these operations may not be particularly useful. For example, Gordon does not explicitly disclose how multiplication or division are used in his device for parimutuel betting.

Gordon does, however, disclose several reasons why a generic subtraction function may be useful in his device, and none of these reasons relate to receiving or processing proposed bets. For example, in some arms of Gordon's device parallel resistances are used to "equalize and balance the bridge." (Gordon, page 2, column 2, lines 12-16). If one of the resistance values has a greater value than another, Gordon's circuit "effects a deduction from the total resistance required . . . to balance up the circuit." (Gordon, page 2, column 2, lines 16-21). Gordon then states that "it is possible to effect a deduction on the total resistance" in order to account for "taxes on the betting or percentage deduction taken by the race track establishment." (Gordon, page 2, column 2, lines 21-25). From these examples, it is clear that Gordon's generic subtraction feature may be useful for reasons other than processing proposed bets.

For the aforementioned reasons, appellants submit that none of the bets in Gordon are proposed bets. As described above, Gordon only refers to wagers already "bet" or "placed" in the past. In addition, although Gordon describes reduction and general subtraction features, these features do not imply that Gordon contemplates proposed bets in any form. Gordon, therefore, fails to show or suggest receiving user input to propose a wager and providing what projected effect the proposed wager would have on the parimutuel pool or current odds to the user, as recited by appellants' claimed invention. On this basis alone, appellants submit that the rejection under 35 U.S.C. § 103(a) should be overturned.

B. Gordon's Device Teaches Away From
Being Used to Process Proposed Wagers

Appellants also submit that Gordon's device teaches away from receiving and processing proposed wagers. Gordon's device is designed to be used at a racetrack "where the number of betting stations may be widely varied." (Gordon, page 1, column 1, lines 39-46). A single display is connected to all of the betting stations and may "indicate at any instant" the betting totals and odds on each horse. (See Gordon, page 1, column 2, line 52 - page 2, column 1, line 10).

If Gordon's device were to process proposed wagers, as the Examiner contends, this would cause inaccurate odds information to be displayed to other bettors in other betting stations. For example, if a proposed wager is inputted into Gordon's electrical circuit, this would cause Gordon's single display to incorrectly show the current odds as adjusted by the

proposed wager. Other bettors would then rely on incorrect odds and wager information when placing their own wagers. This is a highly undesirable result because accurate odds and wager total information are crucial to making an informed wager.

Accordingly, Gordon's resistance varying device teaches away from being used to receive user input to propose a wager and provide what projected effect the proposed wager would have on the parimutuel pool or current odds to the user. Appellants submit, therefore, that on this independent basis the rejection under 35 U.S.C. § 103(a) should be overturned.

C. There is No Motivation for One Skilled
in the Art to Combine Gordon with Mindes

Mindis refers to a data processing system and method for a betting house to maintain a betting pool on a contest. (See Mindis, Appendix H, Abstract). The data processing system maintains the betting pool so that the pool has betting terms (e.g., odds and handicaps) that may be varied to encourage bettors to place bets that will bring the pool (i.e., "the book") into balance. Id.

The Examiner states in the final Office Action that it would have been obvious to one of ordinary skill in the art to modify Gordon "to transmit the data concerning the parimutuel pools" over a communication link. (Final Office Action, page 3). The motivation for doing so, according to the Examiner, is to "ensure the accuracy of the projected odds." Id.

1. The Examiner's Proffered Motivation to
Combine Gordon and Mindes is Insufficient
to Maintain the 35 U.S.C. § 103(a) Rejection

Upon a close examination of Gordon and Mindes, the Examiner's proffered motivation for combining the references has no factual support whatsoever. The Examiner's motivation suggests that Gordon's resistance varying circuit inaccurately calculates current odds. Contrary to the Examiner's contention, Gordon's device is not inaccurate in any way. As soon as a bet is inputted into Gordon's circuit, the resistances are balanced and the new odds are displayed to the bettors in the various betting stations.

Mindess' system dynamically adjusts the betting terms, including the odds, so as to bring the "book" back into balance. (See Mindes, Abstract and "Summary of the Invention" section). Since Mindes' data processing system controls the odds for each wager, the odds cannot be inaccurate. Id. Accordingly, appellants submit that combining Gordon with Mindes does nothing to "ensure the accuracy of the projected odds" as the Examiner contends.

Appellants submit, therefore, that the Examiner's purported motivation is a broad, conclusory statement without factual support. Broad conclusory statements, standing alone, are not sufficient to support an obviousness rejection. *In re Freed*, 165 USPQ 570, 571-72 (CCPA 1970) (an obviousness rejection must be based on facts, "cold hard facts"); *In re Kotzab*, 55 USPQ2d 1313, 1317 (Fed. Cir. 2000) ("[b]road, conclusory statements standing alone are not 'evidence'"). The Examiner's

statement that the combination would "ensure the accuracy of the projected odds," without factual support, is insufficient as a matter of law. *In re Dembiczak*, 50 USPQ2d 1614 (Fed. Cir. 1999).

Since the Examiner has provided no other motivation for combining Gordon with Mindes, appellants submit that, for this reason alone, the Examiner's 35 U.S.C. § 103(a) rejection, as a matter of law, cannot stand. See *Gambro Lundia AB v. Baxter Healthcare Corp.*, 42 USPQ2d 1378 (Fed. Cir. 1997).

2. Mindes Teaches Away From Being Combined With a Parimutuel Pool System Like Gordon's

Moreover, Mindes teaches away from being combined with a system like Gordon's. As described above, Mindes' system implements an algorithm for altering the betting terms when the "book" becomes out of balance. (See Mindes, column 9, lines 44-46 and column 10, lines 31-49). Although Mindes' central processing unit 300 maintains all the pool information and calculates all the odds, the pool is not a parimutuel pool. Id. Rather, the odds in Mindes are fixed at the time the wager is placed (i.e., fixed terms betting). Id.

Mindes clearly distinguishes his "fixed terms" wagering system from parimutuel wagering systems. Mindes states that in fixed terms wagering, "the player wants to know the odds or handicap (point spread) of the wager at the time it is placed." (Mindes, column 2, lines 23-25). Mindes then goes on to say that "[t]his is different than the situation in race track betting where a parimutuel system is used . . . and the player does not know the odds he will receive when he makes his wager, but learns the

odds only after all the wagers have been placed." (Mindes, column 2, lines 30-35, emphasis added). It is clear from this statement that Mindes teaches away from using his system with parimutuel pool wagering systems like Gordon's.

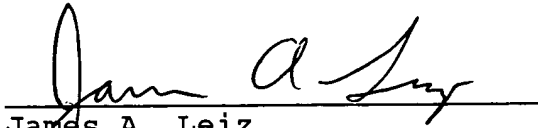
Accordingly, for the reasons described above, the Examiner's proffered motivation lacks factual support and is insufficient as a matter of law to maintain the 35 U.S.C. § 103(a) rejection. Appellants also submit that Mindes teaches away from being combined with a parimutuel pool system like the system referred to in Gordon. For at least these reasons, appellants submit that there would be no reason for one skilled in the art at the time appellants' invention was made to combine Gordon's calculating device for parimutuel pools with Mindes' fixed terms betting system. Appellants respectfully request, therefore, that the rejection under 35 U.S.C § 103(a) be overturned.

D. Conclusion

For the foregoing reasons, appellants submit that the combination of Gordon and Mindes does not render any of appellants' claims 1-31 obvious.

The Examiner's rejection of these claims should,
therefore, be reversed.

Respectfully submitted,



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(viii) Claims Appendix

CLAIMS APPENDIX A
CLAIMS ON APPEAL

1. A method for providing projected effects of wagering on parimutuel pools to a user in an interactive wagering system, comprising:

receiving user input to propose a wager that is associated with at least one parimutuel pool;

obtaining information that affects the user's potential winnings from the at least one parimutuel pool based on the user input, wherein the information is obtained over a communications link; and

providing what projected effect the user's proposed wager would have on the parimutuel pool to the user.

2. The method of claim 1, wherein the user input comprises a selection of a wager amount.

3. The method of claim 1, wherein the user input comprises a selection of a wager type.

4. The method of claim 1, wherein the user input comprises a selection of a race track.

5. The method of claim 1, wherein the user input comprises a selection of a race.

6. The method of claim 1, wherein the user input comprises a selection of at least one horse.

7. The method of claim 1, wherein the information obtained comprises parimutuel pool information.

8. The method of claim 1, wherein the information obtained comprises current odds for the wager.

9. The method of claim 1, wherein the projected effect the proposed wager would have on the parimutuel pool comprises projected odds for the proposed wager.

10. The method of claim 1, wherein the interactive wagering system further comprises a user interface that includes a telephone.

11. The method of claim 10, wherein the projected effect is announced to the user.

12. The method of claim 10, wherein the projected effect is displayed to the user.

13. The method of claim 1, wherein the interactive wagering system further comprises a user interface that includes a set top box.

14. The method of claim 13, wherein the projected effect is displayed to the user.

15. The method of claim 1, wherein the interactive wagering system further comprises a user interface that includes a computer.

16. The method of claim 15, wherein the projected effect is displayed to the user.

17. A method for providing projected effects of wagering on odds associated with a proposed wager in an interactive wagering system, comprising:

receiving user input to create the proposed wager that is associated with at least one parimutuel pool;

obtaining information from the at least one parimutuel pool over a communications link;

obtaining current odds for the proposed wager;

determining what effect the proposed wager would have on the current odds; and

providing projected odds to the user.

18. The method of claim 17, wherein the user input comprises a selection of a wager amount.

19. The method of claim 17, wherein the user input comprises a selection of a wager type.

20. The method of claim 17, wherein the user input comprises a race track.

21. The method of claim 17, wherein the user input comprises a race.

22. The method of claim 17, wherein the user input comprises at least one horse.

23. The method of claim 17, wherein the interactive wagering system further comprises a user interface that includes a telephone.

24. The method of claim 23, wherein the effect is announced to the user.

25. The method of claim 23, wherein the effect is displayed to the user.

26. The method of claim 17, wherein the interactive wagering system further comprises a user interface that includes a set top box.

27. The method of claim 26, wherein the effect is displayed to the user.

28. The method of claim 26, wherein the projected odds, which include the projected effects of placing the proposed wager, are displayed in a window.

29. The method of claim 28, wherein the window is configured to be toggled between displaying the current odds and the projected odds associated with the proposed wager.

30. The method of claim 17, wherein the interactive wagering system further comprises a user interface that includes a computer.

31. The method of claim 30, wherein the effect is displayed to the user.

(ix) Evidence Appendix

EVIDENCE APPENDIX B
COPY OF THE FINAL OFFICE ACTION DATED SEPTEMBER 13, 2005



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/827,509	04/05/2001	John Hindman	ODS-37	6107

1473 7590 09/13/2005
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EXAMINER

COBURN, CORBETT B

ART UNIT PAPER NUMBER

3714

DATE MAILED: 09/13/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No.		Applicant(s)	
	09/827,509		HINDMAN ET AL.	
	Examiner		Art Unit	
	Corbett B. Coburn		3714	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 24 August 2005.
- 2a) ☒ This action is FINAL. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-62 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-62 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 22 June 2001 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Claim Rejections - 35 USC § 103

1. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

2. Claims 1-62 are rejected under 35 U.S.C. 103(a) as being unpatentable over Gordon (US Patent Number 2,271,508) in view of Mindes (US Patent Number 5,573,244).

Claims 1, 17: Gordon teaches a method for providing the projected effects of wagering on pari-mutuel pools to a user in an interactive wagering system. The user provides input concerning a proposed wager that is associated with at least one pari-mutuel pool, pari-mutuel pool information, and the current odds for the proposed wager. The device calculates information that affects the user's potential winnings (i.e., the revised odds and payout) based on the user input and provides that information to the user. The device takes into account the amount of the proposed bet on the odds, thus providing the effect the proposed wager would have on the pari-mutuel pool to the player. (Col 3, 5-10)

Gordon's device calculates projected odds in real time using an analog computer. Prior to the player entering the proposed bet information, the system displays the current odds. The player enters a proposed bet on a particular horse into the computer via the input devices shown in Figs 2-4. This increases the resistance of the circuit to an amount that represents the total value of the pool *including the proposed bet*. The circuitry then

balances the resistance across the arms of the circuit to arrive at the projected odds. The projected odds are displayed to the player.

Gordon does not teach providing the information from the pari-mutuel pool over a communications link. Mindes teaches providing this information over a communications link. (Fig 1 clearly shows a network for transferring such data.) The use of communications links to provide data is extremely well known. Using a communications link ensures that all terminals have the same data. It would have been obvious to one of ordinary skill in the art at the time of the invention to have modified Gordon in view of Mindes to transmit the data concerning the pari-mutuel pools via a communication link to ensure that all terminals have the same data, this ensuring the accuracy of the projected odds.

Claims 2, 18: The user input is a wager amount. (Figs 2-4)

Claims 3, 19: The user input comprises selection of a wager type (i.e., win, place, or show). (See Col 6, 13-30 for description of calculation of show odds.)

Claims 4-6, 20-22: Gordon teaches a calculator for figuring the current and projected odds for a particular horse in a particular race. This inherently comprises the selection of at least one horse in a race at a particular racetrack.

Claim 7: Gordon's information obtained is pari-mutuel pool information. (Col 1, 39-46)

Claim 8: Gordon's device can be used to determine current odds on a wager. (Col 1, 17-26)

Claim 9: Gordon's projected effect the proposed wager can have on the pari-mutuel pool is the projected odds for the proposed wager.

Claim 10, 23: Gordon teaches the invention substantially as claimed, but does not teach a telephone as the user interface. Mindes teaches providing input to a similar system via telephone. (Col 6, 29-32) Mindes describes the use of a digital electronic computer to calculate odds information. Use of a digital computer instead of the analog computer described in Gordon requires an appropriate method of data input. Furthermore, the telephone is a ubiquitous device – virtually every household has one. This allows access to the system by more people, thus increasing the possible profits. It would have been obvious to one of ordinary skill in the art at the time of the invention to have a telephone as a part of the user interface in order to provide an appropriate input device for a digital computer to replace the analog computer described in Gordon while ensuring that most people have access to the system, thus increasing profit potential.

Claims 12, 31: Gordon teaches that the projected effects are displayed to the user. (Col 3, 20-26)

Claims 11, 14, 16, 24, 25, 27: Gordon teaches showing the projected effect (i.e., announcing or displaying the projected effect) to the user.

Claims 13, 26: Mindes teaches a user interface that includes a set top box. (322)

Claim 15: Mindes teaches a user interface that includes a computer. (302)

Claims 28: Mindes teaches displaying information about the game in windows. (Col 6, 33-38) While not disclosed in connection with a set top box, these windows serve to separate the information concerning different races, thus reducing player confusion. It would have been obvious to one of ordinary skill in the art at the time of the invention to

have displayed the projected effects information in a window on a television in order to separate the information concerning different races, thus reducing player confusion.

Claim 29: Gordon teaches the invention substantially as claimed. Gordon teaches displaying both the current odds and the projected odds. The current odds are displayed prior to entering the proposed bet information and the projected odds are displayed by the calculator after entering the proposed bet information. Gordon does not teach displaying the odds in windows on a computer screen and toggling between current and projected odds screens. Mindes teaches displaying information about the game, including odds, in windows. (Col 6, 33-38) Mindes teaches that the window may occupy the entire screen. It is well known to toggle between windows that fill the entire screen.

Claim 30: Gordon's device is a computer.

Claims 32-62: Claims 32-62 are merely a restatement of claims 1-31 specifying electronic circuitry to perform the functions described therein. Gordon teaches the use of electronic circuitry to perform the input, calculation, or display functions, but does not teach use of a digital computer. Mindes teaches using an electronic digital computer (300) to perform such functions. Electronic digital computers are extremely well known to the art. They are used to automate manual functions involving input, calculation, and display of data. They are easier to program than analog computers and are more flexible. It would have been obvious to one of ordinary skill in the art at the time of the invention to have used an electronic digital computer to perform the input, calculation and display functions described in order to replace the analog computer described in Gordon with a modern device that is easier to program and more flexible.

Response to Arguments

3. Applicant's arguments with respect to claims 1-62 have been considered but are moot in view of the new ground(s) of rejection.

Conclusion

4. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

5. This is an RCE of applicant's earlier Application No. 09/827,509. All claims are drawn to the same invention claimed in the earlier application and could have been finally rejected on the grounds and art of record in the next Office action if they had been entered in the earlier application. Accordingly, **THIS ACTION IS MADE FINAL** even though it is a first action in this case. See MPEP § 706.07(b). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

Art Unit: 3714

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no, however, event will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

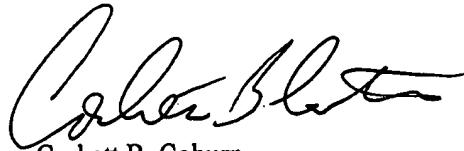
6. The amendment of the claims to include transmission of pool data over a communications link was so well known and so commonplace that it did not represent a *bona fide* attempt to further prosecution of the case. In our so-called "Internet Age", it is obvious to transfer data over a communication network – the concept is ubiquitous. Furthermore, the reference used in the rejection under 35 USC §103 was clearly a network that transmitted data concerning wagering pools over a communications link.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Corbett B. Coburn whose telephone number is (571) 272-4447. The examiner can normally be reached on 8-5:30, Monday-Friday, alternate Fridays off.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's primary, Jessica Harrison can be reached on (571) 272-4449. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Art Unit: 3714

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

A handwritten signature in black ink, appearing to read "Corbett B. Coburn". The signature is fluid and cursive, with the first name "Corbett" being more prominent.

Corbett B. Coburn
Examiner
Art Unit 3714

EVIDENCE APPENDIX C
COPY OF THE REPLY TO FINAL OFFICE ACTION
DATED FEBRUARY 10, 2006



Express Mail Label No.:
EV619621419US

PATENTS
ODS-37

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

PATENT APPLICATION

Applicants : John Hindman et al.
Application No. : 09/827,509 Confirmation No.: 6107
Filed : April 5, 2001
For : SYSTEMS AND METHODS FOR PROVIDING THE
PROJECTED EFFECTS OF WAGERS ON
PARIMUTUEL POOLS
Group Art Unit : 3714
Examiner : Corbett B. Coburn

Mail Stop AF
Hon. Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

REPLY TO FINAL OFFICE ACTION

Sir:

Applicants respectfully request reconsideration and allowance in light of the following amendments and remarks in the above-identified patent application:

Amendments to the Claims begin on page 2 of this paper.

Remarks begin on page 6 of this paper.

02/14/2006 BABRAHAI 00000035 061075 09827509

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AMENDMENTS TO THE CLAIMS

The following listing of claims will replace all prior versions and listings of claims in the subject application. In this listing, claims 32-62 have been canceled.

1. (previously presented) A method for providing projected effects of wagering on parimutuel pools to a user in an interactive wagering system, comprising:

receiving user input to propose a wager that is associated with at least one parimutuel pool;

obtaining information that affects the user's potential winnings from the at least one parimutuel pool based on the user input, wherein the information is obtained over a communications link; and

providing what projected effect the user's proposed wager would have on the parimutuel pool to the user.

2. (original) The method of claim 1, wherein the user input comprises a selection of a wager amount.

3. (original) The method of claim 1, wherein the user input comprises a selection of a wager type.

4. (original) The method of claim 1, wherein the user input comprises a selection of a race track.

5. (original) The method of claim 1, wherein the user input comprises a selection of a race.

6. (original) The method of claim 1, wherein the user input comprises a selection of at least one horse.

7. (original) The method of claim 1, wherein the information obtained comprises parimutuel pool information.

8. (original) The method of claim 1, wherein the information obtained comprises current odds for the wager.

9. (previously presented) The method of claim 1, wherein the projected effect the proposed wager would have on the parimutuel pool comprises projected odds for the proposed wager.

10. (original) The method of claim 1, wherein the interactive wagering system further comprises a user interface that includes a telephone.

11. (original) The method of claim 10, wherein the projected effect is announced to the user.

12. (original) The method of claim 10, wherein the projected effect is displayed to the user.

13. (original) The method of claim 1, wherein the interactive wagering system further comprises a user interface that includes a set top box.

14. (original) The method of claim 13, wherein the projected effect is displayed to the user.

15. (original) The method of claim 1, wherein the interactive wagering system further comprises a user interface that includes a computer.

16. (original) The method of claim 15, wherein the projected effect is displayed to the user.

17. (previously presented) A method for providing projected effects of wagering on odds associated with a proposed wager in an interactive wagering system, comprising:

receiving user input to create the proposed wager that is associated with at least one parimutuel pool;

obtaining information from the at least one parimutuel pool over a communications link;

obtaining current odds for the proposed wager;

determining what effect the proposed wager would have on the current odds; and

providing projected odds to the user.

18. (original) The method of claim 17, wherein the user input comprises a selection of a wager amount.

19. (original) The method of claim 17, wherein the user input comprises a selection of a wager type.

20. (original) The method of claim 17, wherein the user input comprises a race track.

21. (original) The method of claim 17, wherein the user input comprises a race.

22. (original) The method of claim 17, wherein the user input comprises at least one horse.

23. (original) The method of claim 17, wherein the interactive wagering system further comprises a user interface that includes a telephone.

24. (previously presented) The method of claim 23, wherein the effect is announced to the user.

25. (previously presented) The method of claim 23, wherein the effect is displayed to the user.

26. (original) The method of claim 17, wherein the interactive wagering system further comprises a user interface that includes a set top box.

27. (previously presented) The method of claim 26, wherein the effect is displayed to the user.

28. (previously presented) The method of claim 26, wherein the projected odds, which include the projected effects of placing the proposed wager, are displayed in a window.

29. (previously presented) The method of claim 28, wherein the window is configured to be toggled between displaying the current odds and the projected odds associated with the proposed wager.

30. (original) The method of claim 17, wherein the interactive wagering system further comprises a user interface that includes a computer.

31. (previously presented) The method of claim 30, wherein the effect is displayed to the user.

32. - 62. (canceled)

REMARKS

I. Introduction

Claims 1-62 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Gordon U.S. Patent No. 2,271,508 (hereinafter "Gordon") in view of Mindes U.S. Patent No. 5,573,244 (hereinafter "Mindes"). In order to advance prosecution, applicants have canceled system claims 32-62 and will only present arguments as to the allowability of method claims 1-31.

II. Applicants' Reply to the 35 U.S.C. § 103(a) Rejections

Applicants' independent claim 1 is generally directed toward a method for providing the projected effects of wagering on parimutuel pools to a user in an interactive wagering system. A user input is received that proposes a wager that is associated with at least one parimutuel pool. Based on the user input, information that affects the user's potential winnings is obtained, and the projected effect the user's proposed wager would have on the parimutuel pool is provided to the user.

Similarly, independent claim 17 is generally directed toward a method for providing projected effects of wagering on odds associated with a proposed wager. A user input is received to create a proposed wager that is associated with at least one

parimutuel pool. Parimutuel pool information and current odds for the proposed wager are both obtained. What effect the proposed wager would have on the current odds is determined, and the projected odds are provided to the user.

The Examiner in the final Office Action contends that Gordon teaches a method for providing the projected effects of wagering on parimutuel pools, including all of applicants' claimed features identified above. The Examiner admits, however, that "Gordon does not teach providing the information from the parimutuel pool over a communications link." (Office Action, p. 3). The Examiner then opines that Mindes teaches obtaining this information over a communications link.

Regardless of whether Mindes shows obtaining parimutuel pool information over a communication link, applicants respectfully disagree with the Examiner's characterization of Gordon.

Gordon refers to an electrical circuit that calculates odds and wager totals for horses based on wagers that have been inputted into the circuit. Gordon's circuit calculates odds and wager totals based on the "dollars bet at each of the stations." (See Gordon, col. 3, line 72). In fact, Gordon only refers to inputted wagers as the amount "bet" or "placed" on a horse. (See, e.g., Gordon, col. 3, lines 8-9; col. 3, lines 58-59; and

col. 4, lines 57-58). Nowhere in Gordon is it stated or even suggested that Gordon provides projected effects of wagering on parimutuel pools.

In response to applicants' previous arguments that Gordon does not show proposed wagers, the Examiner in the May 24, 2005 final Office Action stated:

the bets discussed by Gordon are assumed to be proposed bets. Unless Applicant can show that Gordon's device will only work after the player has finalized the bet by transferring the money to the bookmaker, Examiner must assume that at [the] very least Gordon's device has the inherent ability to process proposed bets.

(May 24, 2005 Final Office Action, p. 6, emphasis added).

Applicants submit that the Examiner's assumption that the bets in Gordon are proposed bets is improper as a matter of law. Applicants believe that the Examiner admits that Gordon does not directly teach receiving a user input that proposes a wager or providing the projected effects of wagering to users. Accordingly, the Examiner must be asserting that Gordon inherently teaches these claimed features.

"[When] relying upon the theory of inherency, the examiner must provide a basis in fact and/or technical reasoning to reasonably support the determination that the allegedly inherent characteristic necessarily flows from the teachings of

the applied prior art." Ex parte Levy, 17 USPQ2d 1461, 1464 (Bd. Pat. App. & Inter. 1990, emphasis in original). The Examiner here, however, did not provide any basis or reasoning as to why Gordon necessarily processes proposed bets. Instead, the Examiner placed the burden on applicants to show that Gordon's device "will only work" with actual bets. Applicants, however, have no such burden.

As set forth above, it is the Examiner who has the burden to show the opposite--namely, that Gordon necessarily processes proposed wagers. "Inherency ... may not be established by probabilities or possibilities. The mere fact that a certain thing may result from a given set of circumstances is not sufficient." Continental Can Co. USA v. Monsanto Co., 948 F.2d 1264, 1268 (Fed. Cir. 1991).

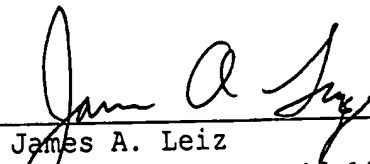
Since Gordon only teaches inputting and processing actual wager amounts (i.e., the amount "bet" or "placed" on a horse (See e.g., Gordon, col. 3, lines 8-9; col. 3, lines 58-59; and col. 4, lines 57-58)), applicants submit that Gordon does not necessarily process proposed wagers. Nowhere in Gordon is it stated or even suggested that Gordon teaches inputting a proposed wager or providing projected effects of wagering on parimutuel pools as specified in independent claims 1 and 17.

Accordingly, the Examiner's contention that the "Gordon's device has the inherent ability to process proposed bets" is insufficient as a matter of law to support this rejection under 35 U.S.C. § 103(a).

III. Conclusion

For at least the foregoing reason, applicants submit that independent claims 1 and 17 are allowable over the prior art of record. Applicants further submit that claims 2-16 and 18-31 are allowable for at least the same reason as their respective base claims. Reconsideration and allowance are respectfully requested.

Respectfully submitted,



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EVIDENCE APPENDIX D
COPY OF THE PRE-APPEAL BRIEF REQUEST FOR REVIEW
DATED MARCH 13, 2006



Express Mail Label No.
EV619621382US

PATENTS
ODS-37

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

PATENT APPLICATION

Applicants : John Hindman et al.
Application No. : 09/827,509 Confirmation No. : 6107
Filed : April 5, 2001
For : SYSTEMS AND METHODS FOR PROVIDING THE
PROJECTED EFFECTS OF WAGERS ON
PARIMUTUEL POOLS
Group Art Unit : 3714
Examiner : Corbett B. Coburn

Mail Stop AF
Hon. Commissioner for Patents
P.O. Box 1450
Alexandria, Virginia 22313-1450

PRE-APPEAL BRIEF REQUEST FOR REVIEW

Sir:

Pursuant to 1296 Off. Gaz. 2 (July 12, 2005), applicants request review of the final rejection of claims 1-31 in the above-identified application. No amendments are being filed with this Request. This Request is being filed with a Notice of Appeal.

Arguments begin on page 2 of this paper.

ARGUMENTS

I. Introduction

Claims 1-62 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Gordon U.S. Patent No. 2,271,508 (hereinafter "Gordon") in view of Mindes U.S. Patent No. 5,573,244 (hereinafter "Mindes"). In order to advance prosecution, applicants canceled system claims 32-62 in a Reply to Final Office Action dated February 10, 2006. Accordingly, arguments will only be presented as to the allowability of method claims 1-31.

For the purposes of this Request, applicants are not addressing the inappropriateness or lack of motivation to combine Gordon with Mindes. Although applicants believe there are strong and valid arguments to make on these fronts, applicants instead will reiterate the clear legal deficiencies in the 35 U.S.C. § 103(a) rejection of claims 1-31 in the September 13, 2005 final Office Action (hereinafter "Office Action"). Namely, applicants will show that the Examiner has failed to establish a *prima facie* case of obviousness in view of Gordon and Mindes because all of applicants' claimed limitations are not disclosed or suggested in the prior art. Applicants reserve the right to present additional arguments, including arguments on the lack of sufficient motivation to combine Gordon and Mindes, upon the decision of the panel review.

II. Applicants' Reply to the 35 U.S.C. § 103(a) Rejections

Applicants' independent claim 1 is generally directed toward a method for providing the projected effects of wagering on parimutuel pools to a user in an interactive wagering system. A user input is received that proposes a wager that is associated with at least one parimutuel pool. Based on the user input, information that affects the user's potential

winnings is obtained, and the projected effect the user's proposed wager would have on the parimutuel pool is provided to the user.

Similarly, independent claim 17 is generally directed toward a method for providing projected effects of wagering on odds associated with a proposed wager. A user input is received to create a proposed wager that is associated with at least one parimutuel pool. Parimutuel pool information and current odds for the proposed wager are both obtained. What effect the proposed wager would have on the current odds is determined, and the projected odds are provided to the user.

Applicants' invention provides a wagerer with the benefit of viewing the projected effect a proposed wager would have on the parimutuel pool. For example, a wagerer may want to place a large wager on a horse with high win odds (e.g., 25-to-1). However, a large wager may significantly affect the parimutuel pool and thus change that horse's win odds (e.g., the horse's win odds may decrease to 15-to-1 when the large wager is placed). Therefore, applicants' invention can provide this projected effect to the wagerer before placement of the wager. This allows the wagerer, for example, to reconsider or change the proposed wager, if desired.

The Examiner in the final Office Action contends that Gordon teaches a method for providing the projected effects of wagering on parimutuel pools, including all of applicants' claimed features identified above. The Examiner admits, however, that "Gordon does not teach providing the information from the parimutuel pool over a communications link." (Office Action, p. 3). The Examiner then opines that Mindes teaches obtaining this information over a communications link.

Regardless of whether Mindes shows obtaining parimutuel pool information over a communication link, applicants respectfully disagree with the Examiner's characterization of Gordon.

Gordon refers to an electrical circuit that calculates odds and wager totals for horses based on wagers that have been inputted into the circuit. Gordon's circuit calculates odds and wager totals based on the "dollars bet at each of the stations." (See Gordon, col. 3, line 72). In fact, Gordon only refers to inputted wagers as the amount "bet" or "placed" on a horse. (See, e.g., Gordon, col. 3, lines 8-9; col. 3, lines 58-59; and col. 4, lines 57-58). Nowhere in Gordon is it stated or even suggested that Gordon provides projected effects of wagering on parimutuel pools.

In response to applicants' previous arguments that Gordon does not show proposed wagers, the Examiner in the May 24, 2005 final Office Action stated:

the bets discussed by Gordon are assumed to be proposed bets. Unless Applicant can show that Gordon's device will only work after the player has finalized the bet by transferring the money to the bookmaker, Examiner must assume that at [the] very least Gordon's device has the inherent ability to process proposed bets.

(May 24, 2005 Final Office Action, p. 6, emphasis added). Applicants submit that the Examiner's assumption that the bets in Gordon are proposed bets is improper as a matter of law. Applicants believe that the Examiner admits that Gordon does not directly teach receiving a user input that proposes a wager or providing the projected effects of wagering to users. Accordingly, the Examiner must be asserting that Gordon inherently teaches these claimed features.

"[When] relying upon the theory of inherency, the examiner must provide a basis in fact and/or technical reasoning to reasonably support the determination that the allegedly inherent characteristic necessarily flows from the teachings of the applied prior art." Ex parte

Levy, 17 USPQ2d 1461, 1464 (Bd. Pat. App. & Inter. 1990, emphasis in original). The Examiner here, however, did not provide any basis or reasoning as to why Gordon necessarily processes proposed bets. Instead, the Examiner placed the burden on applicants to show that Gordon's device "will only work" with actual bets. Applicants, however, have no such burden.

As set forth above, it is the Examiner who has the burden to show the opposite--namely, that Gordon necessarily processes proposed wagers. "Inherency ... may not be established by probabilities or possibilities. The mere fact that a certain thing may result from a given set of circumstances is not sufficient." *Continental Can Co. USA v. Monsanto Co.*, 948 F.2d 1264, 1268 (Fed. Cir. 1991).

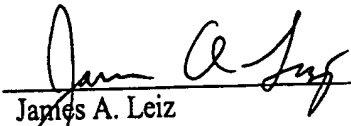
Since Gordon only teaches inputting and processing actual wager amounts (i.e., the amount "bet" or "placed" on a horse (See e.g., Gordon, col. 3, lines 8-9; col. 3, lines 58-59; and col. 4, lines 57-58)), applicants submit that Gordon does not necessarily process proposed wagers. Nowhere in Gordon is it stated or even suggested that Gordon teaches inputting a proposed wager or providing projected effects of wagering on parimutuel pools as specified in independent claims 1 and 17.

Accordingly, the Examiner's contention that the "Gordon's device has the inherent ability to process proposed bets" is insufficient as a matter of law to support this rejection under 35 U.S.C. § 103(a).

III. Conclusion

For at least the foregoing reason, applicants submit that independent claims 1 and 17 are allowable over the prior art of record. Applicants further submit that claims 2-16 and 18-31 are allowable for at least the same reason as their respective base claims. Reconsideration and allowance are respectfully requested.

Respectfully submitted,



James A. Leiz
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Tel.: (212) 596-9000
Fax : (212) 596-9090

EVIDENCE APPENDIX E
COPY OF THE ADVISORY ACTION
DATED MARCH 16, 2006



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/827,509	04/05/2001	John Hindman	ODS-37	6107

1473 7590 03/16/2006
FISH & NEAVE IP GROUP
ROPES & GRAY LLP
1251 AVENUE OF THE AMERICAS FL C3
NEW YORK, NY 10020-1105

EXAMINER

COBURN, CORBETT B

ART UNIT	PAPER NUMBER
----------	--------------

3714

DATE MAILED: 03/16/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

**Advisory Action
Before the Filing of an Appeal Brief**

Application No.

09/827,509

Applicant(s)

HINDMAN ET AL.

Examiner

Corbett B. Coburn

Art Unit

3714

--The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

THE REPLY FILED 10 February 2006 FAILS TO PLACE THIS APPLICATION IN CONDITION FOR ALLOWANCE.

1. ☐ The reply was filed after a final rejection, but prior to or on the same day as filing a Notice of Appeal. To avoid abandonment of this application, applicant must timely file one of the following replies: (1) an amendment, affidavit, or other evidence, which places the application in condition for allowance; (2) a Notice of Appeal (with appeal fee) in compliance with 37 CFR 41.31; or (3) a Request for Continued Examination (RCE) in compliance with 37 CFR 1.114. The reply must be filed within one of the following time periods:

- a) ☒ The period for reply expires 3 months from the mailing date of the final rejection.
b) ☐ The period for reply expires on: (1) the mailing date of this Advisory Action, or (2) the date set forth in the final rejection, whichever is later. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of the final rejection.

Examiner Note: If box 1 is checked, check either box (a) or (b). ONLY CHECK BOX (b) WHEN THE FIRST REPLY WAS FILED WITHIN TWO MONTHS OF THE FINAL REJECTION. See MPEP 706.07(f).

Extensions of time may be obtained under 37 CFR 1.136(a). The date on which the petition under 37 CFR 1.136(a) and the appropriate extension fee have been filed is the date for purposes of determining the period of extension and the corresponding amount of the fee. The appropriate extension fee under 37 CFR 1.17(a) is calculated from: (1) the expiration date of the shortened statutory period for reply originally set in the final Office action; or (2) as set forth in (b) above, if checked. Any reply received by the Office later than three months after the mailing date of the final rejection, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

NOTICE OF APPEAL

2. ☐ The Notice of Appeal was filed on _____. A brief in compliance with 37 CFR 41.37 must be filed within two months of the date of filing the Notice of Appeal (37 CFR 41.37(a)), or any extension thereof (37 CFR 41.37(e)), to avoid dismissal of the appeal. Since a Notice of Appeal has been filed, any reply must be filed within the time period set forth in 37 CFR 41.37(a).

AMENDMENTS

3. ☐ The proposed amendment(s) filed after a final rejection, but prior to the date of filing a brief, will not be entered because
(a) ☐ They raise new issues that would require further consideration and/or search (see NOTE below);
(b) ☐ They raise the issue of new matter (see NOTE below);
(c) ☐ They are not deemed to place the application in better form for appeal by materially reducing or simplifying the issues for appeal; and/or
(d) ☐ They present additional claims without canceling a corresponding number of finally rejected claims.

NOTE: _____. (See 37 CFR 1.116 and 41.33(a)).

4. ☐ The amendments are not in compliance with 37 CFR 1.121. See attached Notice of Non-Compliant Amendment (PTOL-324).
5. ☐ Applicant's reply has overcome the following rejection(s): _____.
6. ☐ Newly proposed or amended claim(s) _____ would be allowable if submitted in a separate, timely filed amendment canceling the non-allowable claim(s).
7. ☒ For purposes of appeal, the proposed amendment(s): a) ☐ will not be entered, or b) ☒ will be entered and an explanation of how the new or amended claims would be rejected is provided below or appended.
The status of the claim(s) is (or will be) as follows:
Claim(s) allowed: _____.
Claim(s) objected to: _____.
Claim(s) rejected: 1-31.
Claim(s) withdrawn from consideration: _____.

AFFIDAVIT OR OTHER EVIDENCE

8. ☐ The affidavit or other evidence filed after a final action, but before or on the date of filing a Notice of Appeal will not be entered because applicant failed to provide a showing of good and sufficient reasons why the affidavit or other evidence is necessary and was not earlier presented. See 37 CFR 1.116(e).
9. ☐ The affidavit or other evidence filed after the date of filing a Notice of Appeal, but prior to the date of filing a brief, will not be entered because the affidavit or other evidence failed to overcome all rejections under appeal and/or appellant fails to provide a showing a good and sufficient reasons why it is necessary and was not earlier presented. See 37 CFR 41.33(d)(1).
10. ☐ The affidavit or other evidence is entered. An explanation of the status of the claims after entry is below or attached.

REQUEST FOR RECONSIDERATION/OTHER

11. ☐ The request for reconsideration has been considered but does NOT place the application in condition for allowance because: _____
12. ☐ Note the attached Information Disclosure Statement(s). (PTO/SB/08 or PTO-1449) Paper No(s) _____
13. ☒ Other: See attached.

CORBETT B. COBURN
PRIMARY EXAMINER

Corbett B. Coburn
Primary Examiner
Art Unit: 3714

DETAILED ACTION

Response to Arguments

1. Applicant's arguments filed 10 February 2006 have been fully considered but they are not persuasive.
2. Applicant argues that Gordon fails to teach use proposed bets. Applicant states that Gordon speaks in terms of "bets" and wagers "placed" on horses. Further Applicant argues that Examiner has failed to provide a basis in fact or technical reasoning to support the conclusion that Gordon is inherently capable of processing proposed bets to provide the projected effect of those proposed bets on the odds.
3. As Examiner has repeatedly pointed out, Gordon does not say that any money changes hand prior to making changes to the indicated odds. It is, and has always been, Examiner's position that until money actually changes hand, all "bets" are "proposed bets". Furthermore, Gordon makes it clear that the device can subtract out the amount "bet". In the racing art, it is understood that only proposed bets may be subtracted – finalized bets are never subtracted. Once a bettor pays his money through the window, he cannot get the money back. All "bets" are final. The fact that Gordon's "bets" may be subtracted from the pool indicates that Gordon's "bets" may be "proposed bets".
4. Examiner contends that this line of reasoning provides ample support for his contention that Gordon does in fact teach "proposed bets" and provides a basis in fact and technical reasoning to support the conclusion that Gordon is inherently capable of processing proposed bets to provide the projected effect of those proposed bets on the odds.

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5. Examiner agreed with Applicant's telephonic argument that the method cannot be rejected merely because the device has the inherent ability to perform a particular function. (An argument that does not, however, appear on the record.) Clearly, Gordon's device has the inherent ability to perform the functions claimed in the canceled apparatus claims, but this does not necessarily mean that Gordon teaches the method -- just because popcorn can be poured through an oil funnel doesn't mean that an oil funnel reference teaches a method of pouring popcorn.
6. Examiner has given Applicant's arguments a great deal of thought. Examiner has tried to read Gordon in the Applicant's favor. But Examiner cannot get over the fact that Gordon discloses, "Reversal of the motors (114, 99 & 115) by actuation of relay (116) permits deductions [from the displayed total bets and the calculated odds] to be made." (Page 5, Col 1, 2-5) Examiner notes that the embodiment being described is not a general calculator meant for use in non-racing applications because four lines down, the disclosure states that this allows the system to indicate the various totals or odds at any instant. These deductions can only make sense if Gordon contemplates "proposed bets".
7. Furthermore, Gordon teaches that, "devices of the type described above are capable of automatic operation to add, subtract (emphasis added), divide or multiply and that a simple construction has been provided which is suitable for pari-mutuel betting." (Page 6, Col 1, 53-58) This subtraction ability is useful only if the "bets" are "proposed bets".
8. Examiner admits that this is a difficult matter. Gordon clearly has the ability to function with finalized bets. As Applicant points out, the disclosure speaks in terms of "bets" and wagers "placed". It is only through inference that Examiner arrives at the conclusion that Gordon

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contemplates proposed bets too. But as Examiner has pointed out, Gordon teaches that the amount “bet” may be subtracted from the totals and removed from the odds calculated. This is not done with finalized bets. Thus Examiner must conclude that Gordon teaches proposed bets.

9. Would one of ordinary skill in the art understand Gordon to teach proposed bets?

10. As noted above, those skilled in the horse racing art understand that once money changes hands, bets are finalized – they cannot be undone. Therefore, those skilled in the art would realize that a disclosure of subtracting bets means that the system is intended to function with proposed bets – i.e., bets that are not finalized. (This is not to say that the system does not work with finalized bets. It means that the system contemplates working with both proposed bets and finalized bets.) Furthermore, they also understand that large bets can have significant effects on the odds in any pari-mutuel gambling system. This is so well known that the fact has found its way into works of fiction. (See, for instance, *Diamonds Are Forever*, Ian Fleming, 1956.) This makes the ability to add in proposed bets (and later subtract them if they are not finalized by paying money through the window) a highly useful feature and a fairly obvious one. One of ordinary skill in the art would have readily grasped the importance of Gordon’s bet subtraction capability and have applied it to the problem of calculating and displaying the projected effect on odds of relatively large wagers.

11. Given the level of knowledge in the art, Examiner believes that one of ordinary skill in the art would have seen Gordon (in combination with the other applied art) as teaching the claimed method.

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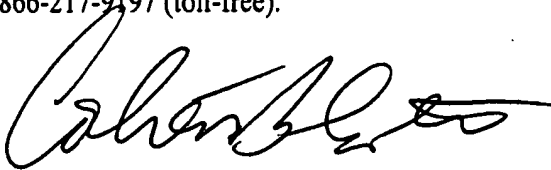
Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Corbett B. Coburn whose telephone number is (571) 272-4447.

The examiner can normally be reached on 8-5:30, Monday-Friday, alternate Fridays off.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Scott Jones can be reached on (571) 272-4438. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).



Corbett B. Coburn
Primary Examiner
Art Unit 3714

**CORBETT B. COBURN
PRIMARY EXAMINER**

EVIDENCE APPENDIX F
COPY OF THE SUPPLEMENTAL PRE-APPEAL BRIEF REQUEST FOR
REVIEW DATED MARCH 24, 2006



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PATENTS
ODS-37

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

PATENT APPLICATION

Applicants : John Hindman et al.
Application No. : 09/827,509 Confirmation No. : 6107
Filed : April 5, 2001
For : SYSTEMS AND METHODS FOR PROVIDING THE
PROJECTED EFFECTS OF WAGERS ON
PARIMUTUEL POOLS
Group Art Unit : 3714
Examiner : Corbett B. Coburn

Mail Stop AF
Hon. Commissioner for Patents
P.O. Box 1450
Alexandria, Virginia 22313-1450

SUPPLEMENTAL PRE-APPEAL BRIEF REQUEST FOR REVIEW

Sir:

Applicants respectfully request consideration of this Supplemental Pre-Appeal Brief Request in the above-identified patent application. The Supplemental Request provides remarks in reply to the Advisory Action mailed after applicants' March 16, 2006 Pre-Appeal Brief Request for Review.

Applicants believe that no fee is due in connection with this Supplemental Pre-Appeal Brief Request. However, if for any reason a fee is due, the Director is hereby authorized to charge payment of any fees due to Deposit Account No. 06-1075, Order No. 003043-0037. A duplicate copy of this Supplemental Pre-Appeal Brief Request is enclosed.

Remarks begin on page 2 of this paper.

REMARKS

In the March 16, 2006 Advisory Action, the Examiner appears to concede that Gordon U.S. Patent 2,271,508 (hereinafter "Gordon") does not specifically teach a method of inputting proposed bets. (See March 16, 2006 Advisory Action, p. 3). Nevertheless, the Examiner contends that Gordon "contemplates proposed bets" because an alternative resistance varying device of Gordon permits deductions to be made. Applicants respectfully disagree.


Gordon states that the resistance varying devices (i.e., wager input devices) may take various forms and states that a preferred form is disclosed in FIGS. 2-4. (See page 3, col. 2, ll. 30-32). The preferred device mechanically rotates discs to increase the resistances. Spring fingers 97 prevent retrograde turning of the discs (i.e., deductions can not be made). The device also includes cam element 96 that "permit[s] rotation of the discs back to the starting or initial position" (page 4, col. 1, ll. 44-45). Accordingly, Gordon's preferred resistance varying device does not allow deductions to be made, but includes a cam element to reset the discs.

Gordon shows an alternative resistance varying device in FIG. 5. The device in FIG. 5 rotates the discs using motors 99, 114, and 115. The alternative device, however, does not include a cam element for resetting the discs. Instead, Gordon states that reversal of the motors permits deductions to be made (page 5, col. 1, ll. 2-5).

The Examiner contends that the "deductions [in the alternative device] can only make sense if Gordon contemplates 'proposed bets'" (March 16, 2006 Advisory Action, p. 3). Applicants respectfully disagree. The alternative device, unlike the preferred device, does not include a mechanism to reset the discs. Therefore, applicants submit that the reversal feature of the alternative embodiment is likely provided to allow the discs to be reset in preparation for betting on the next race.

In view of the foregoing and applicants remarks in the March 16, 2006 Pre-Appeal Brief Request, nothing in Gordon suggests that the deductions in the alternative device are used to allow proposed wager amounts to be inputted. Furthermore, the notable absence of the cam element in the alternative device suggests that the deductions are only for resetting the discs. Accordingly, Gordon fails to show or suggest providing the projected effect a user's proposed wager would have on the parimutuel pool (independent claim 1) or the effect the proposed wager would have on the current odds (independent claim 17). Applicants therefore submit that the rejection of claims 1-31 under 35 U.S.C. § 103(a) should be withdrawn.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "James A. Leiz", is written over a horizontal line.

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EVIDENCE APPENDIX G
COPY OF GORDON U.S. PATENT NO. 2,271,508